

**Economics Sub-committee Fourth Meeting - Comprehensive Solid Waste
Management Plan Working Group**

March 19, 2003

Members present:

Harold Ward, Dan Beardsley, Atiyah Curmally, Susanne Greschner, Dante Ionata, Sally Johnson, Chris Ratcliff, Shim Silverstein

With regard to data on operating costs Dante suggested the sub-committee look at annual budget statements submitted by Resource Recovery to the auditor general as part of their Annual Report. It was agreed that he would look into getting these for the sub-committee at least as far back as 1995.

Harold mentioned that he had received the results of the partial survey conducted by Steve Mutter. Steve had abandoned the survey as Resource Recovery is conducting a similar survey in more detail on a wider basis under Mike Mesolella. Dan asked that Dante send the sub-committee the survey outline, the accompanying cover letter and the expected turn around time of the survey. Dan suggested that he would follow-up with the towns and municipalities with regard to completing the survey.

Shim discussed the incentive structure facing haulers and argued that it made economic sense for haulers to undertake recycling in certain instances. He used the example of corrugated cardboard to illustrate this.

Harold asked about inspections conducted at the landfill with regard to the disposal of recyclables combined with other waste, how effective these had been and if fines were being levied. It appears that currently there is no enforcement.

Valuation of landfill space was discussed next. It was clarified that out-of-state disposal costs include costs of hauling and transportation. Dante suggested that it would be difficult to arrive at a workable estimate of the cost of construction of additional disposal capacity in Rhode Island at a site elsewhere than at the present facility at Johnston. It is possible to arrive at figures for expansion of the site at Johnston up until Phase VI. Dante agreed to get these figures for the sub-committee. He also agreed to send out estimates received from BFI with regard to the cost of shipping municipal solid waste out-of-state from municipalities in Massachusetts to the BFI landfill in Georgia. He estimated that these costs were somewhere in the mid- \$50s. It was decided that out-of-state disposal costs and additional disposal capacity costs at Johnston should be used to estimate the value of landfill space. Dante offered to invite James Lawrence, BFI's Director for Southern New England to attend the next sub-committee meeting.

Chris discussed the different strategies he had outlined for increasing recycling rates. Shim added to this discussion saying that incentives were important and that recycling was no longer a topic in the minds of the populace. He added further that any incentive structure proposed, be based on measures with regard to weight. It was also suggested by

the sub-committee members that estimates of the costs of collection and hauling be added to this analysis and also the impact of economies of scale involved with collection and hauling operations. Susanne added that she had certain reservations about the assumptions made with regard to tipping fee increases and increases assumed in the recycling rate.

Lastly, the sub-committee approved the Interim Report outline.

The next meeting will take place on **March 26, 2003** at **8:00 am** at the Urban Environmental Lab (assuming information on the break down of operating costs/type of operation has been received and analyzed for use by the sub-committee by then).